#### STATEMENT OF CONSIDERATION RELATING TO

# 805 KAR 1:170 Amended After Comments

# Energy and Environment Cabinet Department for Natural Resources Division of Oil and Gas

- I The public hearing on 805 KAR 1:170 scheduled for May 26, 2015 at 10:00 am was canceled. However, written comments were received during the public comment period.
- II The following person submitted written comments:

Name and Title Affiliation

Andrew McNeill, Executive Director
Emily Harkenrider, Legislative Analyst

Kentucky Oil and Gas Association
Legislative Research Commission

III The following people from the promulgating administrative body responded to the written comments:

Name and Title Affiliation

Steve Hohmann, Commissioner Department for Natural Resources

Kim Collings, Director Division of Oil and Gas Marvin Combs, Asst. Director Division of Oil and Gas

Michael Mullins, Regulation Coordinator Department for Natural Resources

Lance Huffman, Attorney Office of General Counsel

#### **IV Summary of Comments and Responses**

- (1) Subject Matter: Approved Seed Mixes
- (a) Comment: Andrew McNeill, Kentucky Oil and Gas Association.

Section 2(2)(b) – p. 2 lines 16-18: The proposed rule includes new language referencing "approved seed mixes." KOGA understands and supports the rationale for adopting recommended seed mixtures for revegetation. KOGA believes any final list of "approved seed mixes" must include KY 31 Tall Fescue. The majority of a well pad's initial surface disturbance will be utilized by the well, storage tanks and other production equipment. The areas requiring revegetation will be the slopes on the well pad periphery and the slopes along the access road. Slope stabilization and sediment control require aggressive root grasses. KY 31 Tall Fescue meets this practical requirement in a cost effective manner. Furthermore, it is important to point out that KY 31 Tall Fescue is an approved seed mix within the Kentucky Division of Abandoned Mine Land's *Technical Specifications* manual, Appendix A. KOGA recommends KY 31 Tall Fescue be included within well site reclamation "approved seed mixes."

- **Response:** The department agrees with commenter and will make the appropriate changes to the administrative regulation.
- (2) Subject Matter: Defined Timeline for Review
- (a) Comment: Andrew McNeill, Kentucky Oil and Gas Association.

Review and approval of the operations and reclamation plan is now a condition that must be met prior to a permit being issued. As currently contemplated, it is an open-ended process. KOGA recommends a clearly defined timeline for review and approval of the operations and reclamation plan.

- **(b) Response:** The department does not agree with this comment. Some operations and reclamations plans will take longer to review and may pose unique issues that may require a longer review time than others. Therefore, the department does not intend to amend the regulation in response to this comment.
- (3) Subject Matter: Best Management Practices
- (a) Comment: Andrew McNeill, Kentucky Oil and Gas Association.

There are numerous references to "Best Management Practices." What qualifies as "Best Management Practices" is unclear. KOGA recommends the Department and Division further clarify this requirement through an update of the Oil and Gas Operator's Manual.

**(b) Response:** The department agrees with this comment and intends to update the Oil and Gas Operator's Manual to include additional clarity on best management practices.

- (4) Subject Matter: Final Inspection of Reclamation
- (a) Comment: Andrew McNeill, Kentucky Oil and Gas Association.

  Section 6(1)(c) p. 9 lines 6-8: KOGA recommends striking "cabinet" at the end of line 8 and replacing it with "Department." Further, it is unclear whether this requirement contemplates an inspection and approval by the Department after notification that reclamation has been completed or whether the Department's initial approval of the operations and reclamation plan is all that is required. KOGA recommends additional clarity on these points.
- **Response:** The department agrees with replacing "cabinet" with "department". However, another comment removes the phrase. The administrative regulation is drafted to require the department to perform an inspection to verify the reclamation has been completed.
- (5) Subject Matter: Codified Version of SB 186.
- (a) Comment: Andrew McNeill, Kentucky Oil and Gas Association.

  Where applicable, KOGA recommends the Department use the newly codified version of SB 186 within the final proposed regulations.
- **(b) Response:** The department agrees with commenter and will make the appropriate changes to the administrative regulation.
- (6) Subject Matter: Technical Amendments
- (a) Comment: Emily Harkenrider, Legislative Research Commission. LRC staff made several comments to ensure compliance with KRS 13A.
- **(b) Response:** The department agrees with the commenter and will make the appropriate changes to the administrative regulation.

# V. Summary of Statement of Consideration and Action Taken by Promulgating Administrative Body

**805 KAR 1:170.** Content of the operations and reclamation plan. Comments were considered and the following changes are suggested:

```
Page 1
```

**RELATES TO** 

Line 7

After "KRS", insert the following:

353.180, 353.510, 353.520, 353.561 – 353.564, 353.590,

353.5901, 353.592, 353.595, 353.597, 353.651,

353.652, 353.6601 - 353.6606, 353.730, 353.737, 353.991

Delete the remainder of the RELATES TO paragraph in its entirety.

# Page 1

#### NECESSITY, FUNCTION, AND CONFORMITY

#### **Lines 12 and 13**

After "This administrative regulation", insert "establishes".

Delete "specifies".

#### Line 13

After "and reclamation plan,", insert "establishes".

Delete "creates".

#### Line 14

After "be filed, and", insert "establishes".

Delete "provides".

#### Page 1

**Section 1** 

#### **Lines 15 and 16**

After "Section 1. Definitions.", delete the following:

In addition to those set out in KRS 353.510, the following definitions shall apply to this administrative regulation:

#### Page 1

Section 1(1)

Line 17

After "defined by KRS", insert "353.510(28)".

Delete "353.5901".

#### Pages 1 and 2

Section 1(2) through (5)

#### Lines 18 through 21 and 1 through 4

After "(2)" delete the remainder of subsection (2), delete subsections (3) and (4) in their entirety, and delete the notation, "(5)".

```
Page 2
Section 1(5)
Line 4
       After "operator has completed", delete "his".
Line 5
       After "plugged the well", insert a comma.
Page 2
Section 1(5) and (6)
Lines 6 and 7
       After "and reclamation plan.", insert "(3)".
       Delete "(6)".
Page 2
Section 2(1)
Line 9
       After "be filed on", insert "Operations and Reclamation Plan,
Lines 9 and 10
       After "Form ED-10", delete the following:
               , entitled "Operations and Reclamation Plan"
Page 2
Section 2(2)(a)
Line 14
       After "and surface owner's", insert ": 1.".
       Capitalize the first letter of "names".
       After ", addresses", insert a comma.
       After "and telephone numbers", insert "; 2.".
       Delete ", the".
       Capitalize the first letter of "county".
Line 15
       After "to be drilled", insert "; and 3.".
       Delete ", and the".
       Capitalize the first letter of "well".
Page 2
Section 2(2)(b)
Line 16
       After (b)", insert "1.".
       After "soil amendments and", delete "approved".
Line 17
       After "to be planted", insert the following:
               as established in the table in this subparagraph.
```

RECOMMENDED HERBACEOUS MIXTURES		
FOR REVEGETATION		
Note: A species enclosed in parenthesis may be substituted for the species		
to the left. Its seeding rate is enclosed in parentheses.		
Species Mixture	Seeding Rate	
	(Pounds/acre	
Spring Fahru	PLS)	
Spring - February 15 to May 15  1. Orchardgrass  10		
White or Ladino clover	<u>10</u> <u>2</u>	
Red clover	6	
2. Orchardgrass	10	
White or Ladino clover	10 1	
Red clover	4	
Kobe lespedeza	10	
3. Orchardgrass	10	
Birdsfoot trefoil (Alfalfa)	8 (15)	
Red clover	6	
4. 31 Tall fescue	20	
5. Wheat (Spring oats)	25 (32)	
Switchgrass	10	
	_	
Indiangrass  Big bluestern	<u>10</u>	
Big bluestem Little bluestem	<u>5</u> 5	
Little bluestem	6	
Birdsfoot trefoil  Event for mixture 5, add one (1) of	<u> </u>	
Except for mixture 5, add one (1) of the following quick cover species to the selected permanent spring seeding mixture:		
Wheat (before April 15)	30	
Spring oats (before April 15)	32	
	<del>-</del>	
Balbo rye (before April 15)	3 <u>0</u> 10	
Perennial ryegrass Appual ryegrass	<u>10</u> <u>5</u>	
Annual ryegrass Weeping levegrass (after April 1)	<u>3</u> <u>2</u>	
Weeping lovegrass (after April 1)	<u> </u>	
Summer - May 15 to August 1 Orchardgrass 10		
Orchardgrass Kobe lespedeza	15	
Red clover	4	
White clover (Birdsfoot trefoil)	1 (6)	
Alfalfa	12	
Add one (1) of the following quick cover species to the permanent summer		
seeding mixture:		
Sorghum	<u>20</u>	
Foxtail (German) millet	<u>20</u> 12	
Japanese millet	15	
Japanese minet	<u>13</u>	

<u>Soybeans</u>	40
Cowpeas	<del>=</del> 40
Pearl millet	10
31 Tall fescue	20
Fall - August 1 to October 1	
1. Orchardgrass	10
White or Ladino clover	2
Red clover	<del>-</del> 6
2. Orchardgrass	10
Alfalfa (Birdsfoot trefoil)	15 (8)
Red clover	6
3. 31 Tall fescue	<u>=</u> 20
4. Deertongue	12
Birdsfoot trefoil	8
Red clover	6
	cover species to the selected permanent
fall seeding mixture:	
Winter wheat	<u>30</u>
Balbo rye or Winter rye	30
Winter oats	<u>=</u> 32
Perennial ryegrass	10
Annual ryegrass	5
Mixtures for Wet or Poorly Drained Areas and Pond Borders	
	ary 15 to May 15
Japanese millet	10
Redtop (Reed canarygrass)	3 (15)
Alsike clover	4
31 Tall fescue	20
Common annual lespedeza (quick	10
cover species)	<del>_</del>
Fall - August 1 to October 1	
Redtop	3
Reed canarygrass	<u>15</u>
Alsike clover	<u></u>
31 Tall fescue	<u></u>
Common annual lespedeza (quick	<u>10</u>
cover species)	<del>_</del>
Mixture for Areas to be Stocked With Woody Plants	
Spring or Fall Seeding	
Redtop	<u>3</u>
Perennial ryegrass	<u>5</u>
Birdsfoot trefoil (Appalow	<u>10 (20)</u>
<u>lespedeza)</u>	
Foxtail millet (quick cover	<u>5</u>

species)

If both Appalow lespedeza and birdsfoot trefoil are used, cut their seeding rates in half.

# 2. The requirements in subparagraph 1. of this paragraph shall apply

#### **Lines 17 and 18**

After "requiring revegetation treatment", delete the following: and the types and amounts per acre of seed and trees to be planted

### Page 2

Section 2(2)(c)

Line 19

After "road, well location", insert a comma.

#### Line 21

After "satisfy the", delete "following".

After "requirements", insert the following:

established in subparagraphs 1. through 4. of this paragraph.

Delete the colon.

#### Page 3

**Section 2(2)(c)1.** 

Line 1

After "1.", insert "a.".

#### Line 2

After "on the legend", insert ". b. The".

Delete ", which".

After "map shall", delete "also".

#### Line 3

After "to be disturbed", insert a period.

Delete the semicolon.

# Page 3

**Section 2(2)(c)2.** 

#### Lines 5 and 6

After "and shall be", insert ": a.".

Capitalize the first letter of "enlarged".

#### Line 6

After "to 1"=400", insert "; and b.".

Delete "and be".

Capitalize the first letter of "submitted".

#### Line 7

After "using the symbols", insert "established".

Delete "set out".

After "on Form ED-10", insert a period.

Delete the semicolon.

```
Page 3
Section 2(2)(c)3.c.
Line 14
       After "c.", insert "If".
       Delete "When".
Page 4
Section 2(3)
Lines 3 and 4
       After "on Form ED-10", insert the following:
               pursuant to paragraphs (a) and (b) of this subsection.
       Delete "in the following manner:".
Page 4
Section 2(3)(a)
Line 5
       After "indicated and his", insert "or her".
Lines 5 and 6
       After "signature notarized", insert ". 1.a. The".
       Delete ", which".
Line 6
        After "company or of", insert "a".
       Delete "some other".
Line 7
        After "to execute documents", insert ". b.".
       Delete the comma.
       Capitalize "a".
       After "copy of", insert "the".
       Delete "which".
Line 8
       After "with the division.", insert "2.".
Lines 9 and 10
       After "as the applicant's", insert the following:
               . If someone other than the applicant signs the form, the signatory
               shall hold a duly recorded power of attorney.
       Delete the remainder of paragraph (a) in its entirety.
Page 4
Section 2(3)(b)
Line 11
       After "indicated and his", insert "or her".
       After "notarized if he", insert "or she".
```

```
Page 4
Section 3
Line 14
       After "has failed to", insert "submit".
       Delete "execute".
Line 15
       After "shall file", insert ": (1)".
       Capitalize "a".
Page 4
Sections 3 and 3(1)
Lines 15 and 16
       After "petition for mediation", insert the following:
               ; and
               (2) With the items established in paragraphs (a) and
               (b) of this subsection.
               (a)
       Delete the following:
               , together with the following, at the time the application for
               permit is filed, in accordance with KRS 353.5901:
               (1)
Page 4
Section 3(1) and (2)
Lines 21 and 22
       After "also be included.", insert "(b)".
       Delete "(2)".
Page 5
Section 3(2)
Line 1
       After "the surface owner", insert ". 1. The".
       Delete ", which".
Line 3
       After "of general circulation.", insert "2.".
Lines 4 and 5
       After "shall be included", insert "with the operator's".
       Delete the following:
               when the operator files his
Page 5
Sections 3(2) and 3(2)(a)
Lines 5 and 6
       After "and shall include:", insert "a.".
       Delete "(a)'.
```

```
Page 5
Section 3(2)(a) and (b)
Lines 6 and 7
       After "of the operator;", insert "b.".
       Delete "(b)".
Page 5
Section 3(2)(b)
Line 7
       After "intended activity as", insert "established".
       Delete "set out".
Page 5
Section 3(2)(b) through (d)
Lines 8 through 11
       After "plan;", insert "and c.".
       Delete paragraph (c) in its entirety and delete the notation, "(d)".
Page 5
Section 3(2)(d)
Line 12
       After "operator's intended activity.", insert the following:
               3. The surface owner shall respond to the notice established
               in this paragraph.
Page 5
Section 4(1)
Line 14
       After "for mediation", delete "at any time".
       After "after", insert "receiving".
       Delete "he has received".
Page 5
Section 4(2)
Lines 20 and 21
       After "mediation fee shall", insert "include".
       Delete "set forth".
Page 6
Section 4(2)(b)2.
Line 4
       After "penalties for perjury", insert "establishing: a.".
       Delete ", setting forth".
       Capitalize the first letter of "the".
Lines 4 and 5
```

After "applicant's individual income", insert "; b.".

Delete the comma.

Capitalize the first letter of "the".

#### Line 5

After "applicant's household income", insert "; c.".

Delete the comma.

Capitalize the first letter of "property".

After "owned", insert "; d.".

Delete the comma.

Capitalize the first letter of "outstanding".

After "obligations", insert "; e.".

Delete the comma.

Capitalize the first letter of "the".

#### Line 6

After "age of dependents", insert "; and f.".

Delete ", and".

Capitalize "a".

After "copy of his", insert "or her".

#### Page 6

# Section 4(3)

#### Line 7

After "(3) Waiver determination.", insert "(a)".

## **Lines 12 and 13**

After "subsection (4) of this section.", insert "(b)".

After "mediator's waiver determination", insert "shall not be".

Delete "is not".

After "subject to appeal.", insert "(c)".

#### Line 15

After "Guidelines in effect", insert "upon".

Delete "at the time".

After "the", insert "date the".

#### **Lines 15 and 16**

After "is mailed.", insert "(d)".

#### **Line 17**

After "Federal Poverty Guidelines.", insert "(e)1.".

#### **Lines 17 and 18**

After "The mediator", insert "shall".

Delete "has the discretion to".

#### Line 20

After "pay the fee.", insert "2. It shall".

Delete "It may".

After "the surface owner", insert ": a.".

Capitalize the first letter of "has".

#### Line 22

After "public assistance payments", insert "upon the date".

Delete "at the time".

```
Capitalize the first letter of "owns".
Page 7
Section 4(4)
Line 1
       After "does not file", insert "the".
       Delete "his".
Line 2
       After "Request for Mediation,", insert "the surface owner".
       Delete "he".
Line 3
       After "applicable to mediation", insert a period.
       Delete the comma.
       Capitalize the first letter of "the".
Page 7
Section 4(5)
Line 5
       After "(5)", insert "(a)".
Lines 5 and 6
       After "any determinations regarding", insert "damage claims".
       Delete "them".
Line 6
       After "in", insert "the".
       Delete "his".
       After "report.", insert "(b)".
       Delete "However,".
       Capitalize the first letter of "information".
Line 8
       After "of roads, pits", insert a comma.
Line 9
       After "in a manner", insert "that".
       Delete "which".
Page 7
Section 4(6)
Line 10
       After "operator withdraws his", insert "or her".
Page 7
Section 5(2)
Line 17
       After "activities shall incorporate", insert "BMPs".
       Delete "best management practices".
Line 18
```

After "is submitted; or", insert "b.".

```
Line 19
       After "fill material utilized.", insert "(b) A wellsite".
       Delete "Wellsites".
       After "a stable base.", insert "(c) If".
       Delete "Where".
Line 20
       After "practicable", insert a comma.
Pages 7 and 8
Sections 5(2) and 5(2)(a)
Lines 21 and 1
       After "Section 9(5)(a).", insert "1. A disturbed area".
       Delete "(a) All disturbed areas".
Page 8
Section 5(2)(a) and (b)
Lines 3 and 4
       After "and reclamation plan.", insert "2. If".
       Delete "(b) Where".
Page 8
Section 5(2)(b)
Line 4
       After "practicable", insert a comma.
Page 8
Section 5(2)(b) and (c)
Lines 5 and 6
       After "redistribution during reclamation.", insert "3.".
       Delete "(c)".
Page 8
Section 5(3)(a)
Line 15
       After "manner as to", insert ": 1.".
       Capitalize the first letter of "allow".
Line 16
       After "the cut slopes", insert "; and 2.".
       Delete ", and".
       Capitalize the first letter of "provide".
       After "that maintenance", insert "shall be".
Page 8
Section 5(3)(b)
```

Line 18

After "all disturbed areas.", insert "(a)".

```
After "(b)", insert "1.".

After "the well site", insert a comma.
```

#### Line 19

After "in a manner", insert "that shall prevent". Delete "which prevents".

#### Line 20

After "operations, and buildings", insert "; and 2.". Delete ", and".

Capitalize the first letter of "establish" and delete "that".

#### Line 21

After "and reclamation plan;", insert "and".

# Page 8

Section 5(3)(c)

Line 22

After "(c)", insert "1.".

# Pages 8 and 9

Section 5(3)(c)

## Lines 23 and 1

After "damage has occurred", insert ". 2.".

Delete "; however,".

Capitalize the first letter of "the".

# Page 9

Section 5(3)(c)

Line 2

After "the drilling, construction", insert a comma.

#### Page 9

Section 6(1)(b)

Line 5

After "of the department;", delete "and".

```
Page 9
Section 6(1)(c)
Line 8
       After "reclamation plan", insert the following:
              ; and
               (d) The cabinet has verified that the reclamation work complies
               with the operations and reclamation plan in the approved permit
               package
       Delete the following:
               has been approved by the cabinet
Page 9
Section 6(2)
Lines 10 and 11
       After "division inspector has", insert ": (a)".
       Capitalize the first letter of "made".
Line 12
       After "reclamation and plugging, insert "; and (b)".
       Delete "and has".
       Capitalize the first letter of "filed".
Page 9
Section 6(2)(a) through (c)
Lines 14, 16, and 17
       Renumber paragraphs (a) through (c) as subparagraphs 1. through 3., respectively.
Page 9
Section 6(2)(c)
Line 17
       After "inadequate vegetative cover", insert a comma.
Page 9
Section 7(1)
Lines 19 and 20
       After "transferring a well", delete the following:
               located on a severed minerals tract and
Page 9
Section 7(1)(a)
Line 23
       After "division before signing", delete "Form ED-13,"".
       After "Well Transfer", insert "Form ED-13".
       Delete the closing quotation mark.
Page 10
```

Section 7(1)(c)

# Line 3

After "a letter indicating", insert "that the operator". Delete "he".

```
Line 4
       After "and that he", insert "or she".
Page 10
Section 7(1)(d)
Line 6
       After "the division the", insert "completed".
       Delete "executed".
Line 7
       After "in the manner", insert "established".
       Delete "set forth".
Page 10
Section 7(1)(e)
Line 9
       After "of form ED-13", insert "upon submission".
       Delete "when he submits it".
Page 10
Section 7(2)
Line 12
       After "operators in writing", insert "upon transfer of".
       Delete "when".
       After "the well", delete "is transferred".
Page 10
Section 7(3)
Line 13
       After "(3)", insert "(a)".
       After "assume all obligations", insert "in accordance with".
       Delete "under".
Line 15
       After "the transferor's obligations", insert "in accordance with".
       Delete "under".
Line 16
       After "the permit and", insert the following:
               805 KAR Chapter 1.
               (b)
       Delete "this chapter.".
Line 17
       After "obligations", insert "in accordance with".
       Delete "under".
       After "the permit or", insert "805 KAR Chapter 1".
       Delete "this chapter".
```

# Page 10

# Section 8 Line 19

After "Section 8.", insert "(1)".

# Line 21

After "and reclamation plan.", insert "(2)".

```
Line 22
```

After "shall be submitted", insert "with".

Delete the following:

at the time of filing

#### Page 11

Section 9(3)

Line 7

After "correct a violation", insert the following:

. A request for an extension of time shall be submitted via Delete "by submitting".

Line 8

After "for that extension", insert a period.

Delete the semicolon.

Capitalize the first letter of "if".

Lines 8 and 9

After "concludes that the", insert the following:

reasons for the request are beyond the operator's control

Delete "request is reasonable".

Line 10

After "or applicable statutes,", insert "the director shall". Delete "he may".

Page 11

Section 9(4)

Line 11

After "The operator's bond", insert "shall". Delete "may".

Line 12

After "KRS 353.590(10), if", insert "the operator". Delete "he".

Page 11

Section 9(5)

**Line 15** 

After "and reclamation plan,", insert "shall be".

Delete "is".